

THE AGRICULTURAL SITUATION

A BRIEF SUMMARY OF ECONOMIC CONDITIONS

ISSUED MONTHLY BY THE BUREAU OF AGRICULTURAL ECONOMICS,
UNITED STATES DEPARTMENT OF AGRICULTURE, WASHINGTON, D. C.

Vol. IX, No. 3.

March 1, 1926.

NOT THE YEAR FOR RADICAL CROP CHANGES

Last spring, farmers were making crop plans on the basis of high priced wheat, high corn, fairly high cotton and cheap potatoes. Last year's acreages and growing season were such as to reverse some of those price relationships. Now it is to be expected that the current line-up of prices will induce some counter-shifts in crop acreage. The difficult thing to bear in mind is that it is not the price of the seed that counts but the price that the crop will bring next fall.

Presumably, the present price of potatoes will stimulate an increase in acreage. If such increase goes much beyond 10 per cent, growers may regret it. The tendency after a season of very high potato prices is to seriously overdo the acreage. In the case of spring wheat, the tendency will probably be to increase or at least maintain the last acreage - the same being likely, incidentally, in Canada. We have about 4 per cent more hard winter wheat in ground than last year and it seems to have wintered well. The price of cotton has hardly been a stimulating one. However, talk of reduced cotton acreage should comprehend alternative crops that can be planted at greater profit. That holds true for each of the principal money crops.

The situation as respects the major feed crops is fundamentally different. Corn, oats, and hay are all low in price. But from the standpoint of agriculture as a whole, an abundance of feed crops is perhaps more to be desired this year than at any time in the last six years. It is hardly to be expected that acreages of those crops will be increased this spring for their prices are too discouraging. On the other hand, feeding demand will probably be fully as great as last season. In general, the question is how can the residual crop land on many farms be better employed this year than for feedstuffs, even if it results in building up some farm reserves thereoff?

A substantial back-log in the present situation is the relatively strong position of the livestock industries. The total animal inventory of the country has finally been brought fairly well into line with peace-time requirements. Prices of livestock products have moved upward. In fact, the evidence indicates that hog producers are now making considerable effort to increase production and that many cattlemen in the range territory have begun to bid for cows. But the animal industries, broadly speaking, appear to be on good, solid ground for the year ahead. In this general situation it seems not unreasonable to expect that good policy will still aim to keep the production of feed crops up to the point of abundant supplies and cash crops down to the point of profitable prices.

- 2 -

KEY REGIONS AT A GLANCE

THE EAST - Generally in the grip of winter with little outdoor farm work except ice harvest and woods work. Some preparing of ground for tobacco beds and early potatoes in Virginia, etc. Prices of dairy cows reported as rather higher. Poultrymen apparently not quite as optimistic as last spring.

THE SOUTH - General farm operations have made fair progress. Winter truck being harvested and shipped. Spring preparation and planting well forward. Peaches and plums in blossom. Cotton planting begun in southern Texas. Some agitation in favor of reduced cotton acreage. South goes into new season with general conditions moderately good.

CORN BELT - Snow and bad roads through much of region. Maple sugar camps operating in Indiana. Wheat and grass becoming green in southern portions. Annual moving of farm tenants under way. Some concern over availability of good seed corn in certain localities. Feeder hogs and sows have been bringing high prices. Relatively high hog prices apparently responsible for greater optimism among livestock men.

WHEAT BELT - Had considerable mild weather between storms. Wheat sowing and looking fair except in certain dry areas in north central Nebraska and northwest Oklahoma. Oats sown and other planting in progress in south. Some plowing also in Montana.

RANGE COUNTRY - Stock wintered well, for the most part. Feeding in southwestern Wyoming and in places in Colorado but much of winter range is open. Rather dry in the south. Heavier snows in mountains have improved the water prospects. Some cattle ranches beginning to stock up. Many reports of higher prices for cows. Some lamb feeders have not done so well this season. Feeder-sheep outlook considered not especially promising.

PACIFIC COAST - Wheat sowing general in north and early truck going into ground. Been remarkably favorable winter. Field work well along in California except where wet in north. Almonds in bloom and peaches and apricots beginning. Navel oranges still being shipped from

TREND OF HOG PRODUCTION

The following table shows the changes in number of hogs on farms by regions from 1920 to 1926. These figures are taken from the reports of the Division of Crop and Livestock Estimates, giving the revised estimates for the years 1920 to 1925 and the preliminary estimate for 1926.

:(000 omitted)

	<u>1920</u>	<u>1921</u>	<u>1922</u>	<u>1923</u>	<u>1924</u>	<u>1925</u>	<u>1926</u>
N. Atlantic	2,315	1,992	1,795	1,725	1,616	1,308	1,239
S. Atlantic	6,578	6,256	5,893	5,561	5,146	4,288	3,802
North Central	36,147	37,093	38,595	48,080	47,741	40,705	37,923
South Central	12,139	10,981	10,603	10,298	8,707	7,145	6,201
Far Western	2,634	2,389	2,464	2,783	2,727	2,323	2,058
United States	59,813	58,711	59,355	68,447	65,937	55,769	51,223

In three of these areas, the North Atlantic, South Atlantic and South Central, the number of hogs decreased every year during the six years shown. In most of the Southern States swine numbers are the smallest in 40 years. In the North Central States, the principal source of commercial hog supplies, numbers increased from 1920 to 1923, reaching that year the highest number ever recorded as of January 1. Numbers declined sharply in 1924 and 1925 but on January 1, 1926, were estimated as still larger than January 1, 1920, or 1921. More than ever before the Corn Belt is the source of the nation's hog supply.

C. L. Harlan,
Livestock Statistician, B.A.E.

AVERAGE PRICES OF FARM PRODUCTS RECEIVED BY PRODUCERS

January 15, 1926.

Actual prices received by producers at local farm markets as reported to the Division of Crop and Livestock Estimates of this Bureau. Average of reports covering the United States, weighted according to relative importance of district and State.

	5-yr. Av.	Jan. Av.			
	Aug. 1909- July, 1914	Aug. 1909- July, 1914	Jan. 1925	Dec. 1, 1925	Jan. 1926
Cotton, per lb.	\$ 12.4	12.2	22.7	17.4	17.2
Corn, per bu.	\$ 64.2	58.9	112.0	70.7	69.6
Wheat, per bu.	\$ 88.4	88.4	162.1	153.7	158.1
Hay, per ton	\$ 11.87	11.87	12.70	13.40	13.31
Potatoes, per bu.	\$ 69.7	64.2	70.2	201.5	220.5
Oats, per bu.	\$ 39.9	39.0	54.0	39.1	40.0
Beef cattle, per 100 lbs.	\$ 5.22	5.04	5.63	6.18	6.31
Hogs, per 100 lbs.	\$ 7.23	7.03	9.31	10.51	10.99
Eggs, per dozen	\$ 21.5	27.9	48.6	48.1	36.3
Butter, per lb.	\$ 25.5	27.8	41.3	46.0	44.3
Butterfat, per lb.	\$ ----	----	40.6	47.6	45.2
Wool, per lb.	\$ 17.7	18.5	42.8	39.5	38.9
Veal calves, per 100 lbs.	\$ 6.75	6.78	8.50	9.17	9.44
Lambs, per 100 lbs.	\$ 5.91	5.79	12.69	12.67	12.79
Horses	\$142.00	139.00	73.00	74.00	75.00

With the exception of hay and potatoes, the farm prices of crops were lower on January 15 than a year ago. Corn prices were 38 per cent below last year, rye 30 per cent, barley 28 per cent, oats 27 per cent, cotton and cotton seed each 24 per cent, flaxseed 18 per cent, and wheat 2 per cent below a year ago. Hay prices showed a gain of 5 per cent and potato prices were more than three times as high as last year.

Farm prices of livestock were higher than last year on January 15. Hogs showed an increase in price of 18 per cent, milk cows 13 per cent, chickens 13 per cent, beef cattle 12 per cent, and veal calves 11 per cent. Sheep and lambs, while lower on the market, were about the same on the farm as a year ago. Butter and butterfat prices were higher, while eggs and wool were lower than last year.

PRICE INDEXES FOR JANUARY, 1926.

Farm products figures from this Bureau; commodity groups from Bureau of Labor Statistics, (latter shown to nearest whole number.) Shows year ago, and latest available month:

Farm Products

(Prices at the farm, Aug. 1909 - July 1914 = 100.)

	<u>Jan.</u> <u>1925</u>	<u>Dec.</u> <u>1925</u>	<u>Jan.</u> <u>1926</u>	<u>Month</u> <u>Trend</u>
Cotton	183	140	139	Lower
Corn	174	110	108	Lower
Wheat	183	174	179	Higher
Hay	107	113	112	Lower
Potatoes	101	289	316	Higher
Beef cattle	108	119	121	Higher
Hogs	129	145	152	Higher
Eggs	226	224	169	Lower
Butter	162	180	174	Lower
Wool	240	222	218	Lower

Commodity Groups

(Wholesale Prices; 1910-1914 = 100.) 1/

	<u>Jan.</u> <u>1925</u>	<u>Dec.</u> <u>1925</u>	<u>Jan.</u> <u>1926</u>	<u>Month</u> <u>Trend</u>
Farm products	163	152	152	Unchanged
Food, etc.	159	156	155	Lower
Cloths & clothing	195	191	189	Lower
Fuel & lighting	195	203	205	Higher
Metal & met. products	146	139	138	Lower
Bldg. materials	185	182	183	Higher
Chemicals, etc.	134	133	132	Lower
House-furnishing goods	178	172	170	Lower
<u>ALL COMMODITIES</u>	<u>163</u>	<u>159</u>	<u>159</u>	<u>Unchanged</u>

1/ Bureau of Labor Statistics index numbers converted to 1910-1914 base.

RELATIVE PURCHASING POWER

(At January 1926 Farm Prices)

Aug. 1909 - July, 1914 = 100

Of a Unit of:

<u>In terms of:</u>	<u>Cotton</u>	<u>Corn</u>	<u>Wheat</u>	<u>Hay</u>	<u>Potatoes</u>
All commodities	87	68	113	71	199
Cloths, etc.	73	57	95	59	167
Fuel, etc.	68	53	87	55	154
Metals, etc.	100	78	129	81	229
Bldg. Materials	76	59	98	61	173
House-furnishing goods	81	64	105	66	186

	<u>Beef Cattle</u>	<u>Hogs</u>	<u>Eggs</u>	<u>Butter</u>	<u>Wool</u>
All commodities	76	96	106	109	138
Cloths, etc.	64	80	89	92	116
Fuel, etc.	59	74	82	85	107
Metals, etc.	88	110	122	126	158
Bldg. materials	66	83	92	95	119
House-furnishing goods	71	89	99	102	128

The unit purchasing power of important key products did not change materially during January, except for the seasonal drop in egg prices. The wheat, potato, cattle, and hog index moved up slightly, while cotton, corn, and butter declined a point or so.

The general index of purchasing power of farm products, in terms of non-agricultural commodities, continued at 87, at which point it has stood for the last 4 months.

GENERAL BUSINESS INDICATORS
RELATED TO AGRICULTURE

	1925 Jan.	1925 Dec.	1926 Jan.	Month's Trend
PRODUCTION				
Pig iron daily (Thou. tons)	111	108	104	Decrease
Bituminous coal (Millions tons)	52	53	54	Increase
Automobiles shipped (Thou. carloads)	34	41	52	Increase
CONSUMPTION				
Cotton by mills (Thou. bales)	594	575	583	Increase
Unfilled orders Steel Corp. (Thou. T.)	5,037	5,033	4,883	Decrease
Building contracts (Millions dollars)	255	443	378	Decrease
Hogs slaughtered (Thousands)	3,910	2,776	2,721	Decrease
Cattle "	1,150	1,248	1,144	Decrease
Sheep "	786	840	856	Increase
MOVEMENTS				
Bank clearings (N.Y.) (Billions dollars)	27	27	27	Unchanged
Car loadings (Thousands)	4,457	3,699	4,432	Increase
Mail order sales (Millions dollars)	35	53	38	Decrease
Men employed, N. Y. State Factories (Thou.)	497	516	513	Decrease
Av. price 25 indus. stocks (Dollars)	135	178	180	Increase
Interest rate (4-6 mo. paper, N. Y.)	3.63	4.38	4.38	Unchanged
Retail Food Price Index (Dept. Labor)*	154	166	164	Lower
Wholesale Price Index (Dept. Labor)*	160	156	156	Unchanged

About the only thing that informed men say with assurance is that the volume of trade is still very heavy. The demand for iron and steel has not been quite up to expectations, it is said; railroad car loadings have declined slightly. The future is mentioned with various reservations. However, the general present fact seems to be that business is good and the cities prosperous.

There is nothing as yet in the industrial situation which appears to have any definite bearing on the plans of farmers for this spring.

GENERAL TREND OF WAGES AND PRICES

1910-1914 =100

Year and Month	General Wage Level	Farm Wages 2/	Retail Price of Food 1/	Wholesale Price of Food 1/	Wholesale Price All Commodities
N.Y. factory workers					Bureau of Labor Statistics
1910	---	97	96	100	103
1911	---	97	95	96	95
1912	---	101	101	103	101
1913	---	104	103	99	102
1914 (June)	100	101	106	101	100
1915	101	102	104	104	103
1916	114	112	117	120	129
1917	129	140	151	166	180
1918	160	176	174	187	198
1919	185	206	192	205	210
1920	222	239	210	218	230
1921	203	150	158	143	150
1922	197	146	146	137	152
1923	214	166	151	143	156
1924	218	166	150	143	152
1925	223	---	160	156	162
<u>1925</u>					
January	223	156	159	159	163
February	220	---	156	156	164
March	224	---	156	158	164
April	218	163	155	153	159
May	221	---	156	152	158
June	220	---	160	154	160
July	220	170	165	156	163
August	222	---	165	158	163
September	223	---	164	159	163
October	225	173	167	157	160
November	226	---	172	159	160
December	229	---	171	156	159
<u>1926</u>					
January	229	160	169	155	159

1/ Bureau of Labor Statistics index numbers converted to 1910-1914 base.

2/ Index based on both monthly and daily wages.

NEW INDEX OF GENERAL TREND OF PRICES
On Five-Year Base, August, 1909 - July, 1914 = 100

Year and Month	Index numbers of farm prices						Wholesale Prices of Non-Agri- cultural Commodi- ties 1/	Relative purchasing power of Farmer's Product 2/
	Grains	Fruits and Vegetables	Meat Ani- mals	Dairy & Poultry Products	Cotton and Cotton- seed	Unclas- sified	All Groups 30 Items	
1910	104	91	103	101	113	102	103	102
1911	96	106	87	95	101	103	95	96
1912	106	110	95	103	87	106	99	100
1913	92	92	108	100	97	94	100	105
1914	103	100	112	101	85	95	102	97
1915	120	83	104	99	78	95	100	101
1916	126	123	120	106	119	100	117	138
1917	217	202	173	133	187	130	176	182
1918	226	162	202	160	245	157	200	188
1919	231	189	206	182	247	162	209	199
1920	231	249	173	197	248	152	205	241
1921	112	148	108	151	101	90	116	167
1922	105	152	113	135	156	94	124	168
1923	114	136	106	147	216	109	135	171
1924	129	124	109	137	211	100	134	162
1925	156	160	139	143	177	92	147	165
1926								
Jan.	172	122	123	154	182	94	146	165
Feb.	178	131	126	142	183	96	146	167
Mar.	172	138	145	134	195	94	151	165
Apr.	152	146	146	131	189	94	147	162
May	159	162	139	132	184	87	146	161
June	164	184	139	132	183	86	148	163
July	152	178	148	134	186	88	149	164
Aug.	157	178	149	139	186	96	152	164
Sept.	148	142	143	141	178	90	144	163
Oct.	135	152	141	154	171	90	143	164
Nov.	138	194	136	162	144	95	144	166
Dec.	140	194	136	163	139	92	143	165
1926								
Jan.	143	21	140	153	138	87	143	165
								87

1/ Computed by Bureau of Labor Statistics from wholesale prices of all commodities except those from United States farms. 1910-1914 = 100. 2/ The value of a unit of the farmer's product in exchange for non-agricultural products at wholesale prices, compared with pre-war values. Obtained by dividing index of all groups (30 items) by index of wholesale prices of non-agricultural products.

THE TREND OF MOVEMENT TO MARKET

Figures show wheat, corn, hogs, cattle, sheep receipts at primary markets; butter receipts at five markets, compiled by this Bureau. All figures given to nearest thousand, that is, three ciphers omitted:

Month	WHEAT Receipts Th. bu.	CORN Receipts Th. bu.	HOGS Receipts Thousands	CATTLE Receipts Thousands	SHEEP Receipts Thousands	BUTTER Receipts Th. lbs.
1920 Total	332,314	210,332	42,121	22,197	23,538	402,755
1921 "	435,606	340,908	41,101	19,787	24,168	468,150
1922 "	413,106	378,598	44,068	23,218	22,364	526,714
1923 "	386,430	271,858	55,330	23,211	22,025	545,380
1924 "	482,007	278,719	55,414	23,695	22,201	587,477
1925 "	346,381	223,604	43,929	24,067	22,100	574,489
1920 Jan.	22,697	20,623	5,262	1,881	1,614	24,692
1921 "	30,393	39,991	4,700	1,644	1,792	25,482
1922 "	17,911	46,537	4,278	1,628	1,835	34,624
1923 "	38,002	37,526	5,306	1,876	1,636	40,304
1924 "	15,548	30,594	6,253	1,888	1,697	37,450
1925 Jan.	23,247	35,820	6,105	1,869	1,467	37,781
" Feb.	18,493	20,833	4,558	1,530	1,388	35,181
" Mar.	16,925	23,868	3,528	1,860	1,504	40,725
" Apr.	10,023	9,810	3,247	1,827	1,541	42,141
" May	17,896	11,935	3,283	1,737	1,689	56,838
" June	20,465	17,381	3,507	1,746	1,603	74,171
" July	37,919	9,662	2,798	1,970	1,699	69,970
" Aug.	41,928	17,488	2,549	2,245	2,064	57,556
" Sept.	57,756	12,889	2,741	2,157	2,627	45,005
" Oct.	34,111	12,187	3,390	2,789	3,198	43,467
" Nov.	33,948	19,144	3,844	2,282	1,712	35,455
" Dec.	33,670	32,587	4,380	2,056	1,608	36,199
1926 Jan.	19,076	28,268	4,304	1,840	1,548	39,424

General movement of grain continued during January about in line with previous years.

Hog movement reflects decline in production below previous year; is in general line, as to seasonal trend with other years of large corn crop. Cattle movement like last year.

Butter receipts showed seasonal increase; somewhat heavier than same month a year ago but slightly less than two years ago.

THE TREND OF EXPORT MOVEMENT

Compiled from Department of Commerce reports by Division of Statistical Research of this Bureau.

Month	WHEAT	BACON**			COTTON#	
	including flour	TOBACCO (Leaf)	HAMS AND SHOULDERS	LARD	TOTAL* MEATS	running bales
	1,000 Bushels	1,000 Pounds	1,000 Pounds	1,000 Pounds	1,000 Pounds	1,000 Bales
1920 Total	307,630	467,662	821,922	612,250	1,043,500	6,111
1921 "	355,661	515,353	647,680	868,942	786,280	6,385
1922 "	232,302	430,908	631,452	766,950	733,832	6,015
1923 "	171,928	474,500	828,890	1,035,382	958,472	5,224
1924 "	238,256	546,555	637,980	944,095	729,832	6,653
1925 "	136,561	468,469	467,459	688,829	547,361	8,362
1920 Jan.	12,274	46,757	91,407	38,824	123,929	922
1921 "	27,105	46,852	60,072	76,185	90,800	600
1922 "	15,010	32,265	48,120	73,194	55,777	459
1923 "	12,519	41,309	74,432	107,786	86,938	471
1924 "	12,143	47,579	79,067	132,758	90,429	540
1925 January	12,928	35,448	56,169	78,440	55,705	1,052
" February	11,597	23,806	48,041	60,363	55,438	792
" March	16,202	32,477	53,853	63,281	62,158	708
" April	12,721	30,519	33,413	44,447	39,303	440
" May	12,976	22,415	33,475	71,135	38,977	314
" June	10,759	27,460	39,690	59,799	45,398	211
" July	8,789	39,037	35,472	49,414	40,990	198
" August	11,832	34,890	31,770	45,740	38,250	313
" September	12,992	50,677	32,900	62,646	40,230	750
" October	8,910	52,211	30,706	44,745	37,071	1,414
" November	8,620	51,154	31,693	39,979	37,304	1,196
" December	8,235	68,375	40,277	68,840	46,537	974
1926 January	5,452	46,891	46,654	76,670	53,833	735

* Includes fresh, canned and pickled beef, bacon, hams and shoulders; fresh, canned, and pickled pork; fresh mutton and lamb.

** Includes Cumberland and Wiltshire sides.

Excludes linters.

COLD STORAGE SITUATION

February 1 holdings (Shows nearest million, six figures omitted):

Commodity	5-Year Average	Year Ago	Month Ago	February 1, 1926
Creamery butter, lbs.	31	46	53	39
American cheese, lbs	31	42	58	50
Case eggs, cases	203*	81*	1,683*	574*
Total poultry, lbs.	109	138	111	108
Total beef, lbs.	116	141	85	80
Total pork, lbs	685	779	472	554
Lard, lbs.	74	113	42	64
Lamb & mutton, lbs.	18,524*	2,336*	1,820*	2,367*
Total meats, lbs.	897	1,020	616	694

Continued seasonal movement of dairy products and eggs out of storage during January.

Beef stocks also showed a slight decline during the month as is usual.

Pork continued to move into storage but in somewhat smaller than average volume.

Stocks of eggs nearly three times the average. Stocks of pork more than 200 million pounds below last year and much below average. Lamb stocks also low. The country has 300 million fewer pounds of meat in storage than last year and 200 million pounds less than its average stocks.

* Thousands, or three figures, omitted.

THE DAIRY SITUATION

It must not be assumed that February dairy markets were weak, but the fact remains that nothing developed during the month which added any material strength to the position occupied at the close of January. Operators have recognized certain conditions which might be considered somewhat unfavorable, but a degree of optimism has prevailed nevertheless, and this favorable sentiment offered real support. We are at a period when current production is of considerable importance, particularly so this year on account of the uncertainty of weather conditions.

Considering the production trend in the light of what information is available, it is found that February receipts of butter at the four principal markets have been running close to 15 per cent heavier than during 1925. The total gain for the year since January 1 will not reach this figure, probably not being more than 10 to 12 per cent by March 1, which indicates that February has led January by a good margin. It may be safely assumed that with market receipts of butter heavier, production has also been heavier. Cheese production is also showing substantial gains, receipts at Wisconsin warehouses from factories being about 12 1/2 per cent heavier since the first of the year than they were in 1925. Coming to condensed and evaporated milk, January production as reported is 8 per cent heavier than last year, showing again that winter production has been heavy. An inventory of storage and other stocks reveals no information which may be regarded as adding strength to the market.

Prices are another indication of the fact that the situation is not quite so firm as a month ago. Average prices for February in fluid milk markets show a slight decrease under January. Condensery prices are also lower, and, with market quotations on cheese having declined the past few weeks, producers supplying cheese factories may naturally expect some reduction in their returns. Butter prices suffered a sharp break early in the month, but recovered later, and it appears at this writing that the average will approximate that of January. At prevailing levels, butter prices are about 4 cents above a year ago, cheese prices show but little difference, and fluid milk and condensery prices average 10 to 15 cents per cwt. higher.

The butter import situation continues to be of interest, although the status of this influence is changed. January imports of butter amounted to 2,365,000 pounds, as compared with 696,000 pounds last year. Practically all of this butter entered at the port of New York. Some butter has come in since the first of February, although foreign markets are firmer and prices are higher, which has very materially lessened the possibility of foreign competition. February imports will approximate one-third those of January, and as the month comes to a close, less talk is heard of the possibility of further arrivals.

L. M. Davis,

Division of Dairy and Poultry Products, B.A.E.

- 14 -
DAIRY SITUATION

(Thousand lbs., i.e., 000 omitted)
BUTTER SUMMARY

JANUARY

1926 1925 % Change

Production (1)			
Creamery	87,381	82,747	+ 5.6
Farm	35,554	36,167	- 1.7
Net imports	1,834	124	- - -
In storage (1st)	52,785	65,694	-19.7
In storage (end)	39,389	45,748	-13.9
Trade output	138,165	138,984	- 0.6
Milk equivalent	2,901,465	2,918,664	- 0.6
Receipts 4 mktgs(gross)	45,812	43,392	+ 5.6

CHEESE SUMMARY

Production (2)			
Net imports	25,500	23,487	+ 8.6
In storage (1st)	4,448	3,403	---
In storage (end)	76,649	67,558	+13.4
Trade output	67,540	58,461	+15.5
Milk equivalent	39,057	35,987	+ 8.5
Receipts Wisconsin warehouses	390,570	359,870	+ 8.5
Receipts 4 mktgs(gross)	16,401	15,061	+ 8.9

CONDENSED AND EVAPORATED MILK SUMMARY

Production (3)			
Net exports	102,850	95,100	+ 8.1
In Mfrg's hands (1st)	9,623	9,376	---
In Mfrg's hands (end)	156,272	123,428	+26.6
Trade output	135,662	91,205	+48.7
Milk equivalent	113,837	117,947	- 3.5
Receipts Wisconsin warehouses	284,593	294,868	- 3.5

TOTAL MILK EQUIVALENT - BUTTER, CHEESE AND CONDENSED MILK

Production			
Trade output	3,093,760	2,969,814	+ 4.2
Milk equivalent	3,576,628	3,573,402	+ 0.1

DRY MILK

Skim milk(stocks Feb. 1)	4,161	5,003	- 16.8	(bulk only)
Dry milk imports, net,	142	157	export, net	

(1) Estimated from Receipts on 4 principal markets.

(2) Estimated from Receipts at Wisconsin Warehouses.

(3) Compiled from special reports to this Bureau.

T. R. Pirtle.

Division of Dairy and Poultry Products, B.A.

THE EGG AND POULTRY SITUATION

Following the price declines of December and January the February egg market opened well below that of a year ago. During the first three weeks of the month, however, receipts at the principal markets have been slightly less than for 1925, in striking contrast to the increased receipts of January. In addition more severe weather in producing sections and snow storms in the East which have delayed shipments have been factors tending to strengthen the market. On the whole the market has been rather erratic, brief periods of greater firmness being followed by general easiness and price declines.

A very excellent demand has resulted from the low prices prevailing. Chain stores have featured eggs, and the public has purchased freely. The Lenten season is expected to maintain a good demand. The clearance of fresh stock arriving has favored the movement of the relatively heavy stocks of storage eggs still on hand February 1 and they have worked out to better advantage than seemed likely earlier although at a considerable loss.

Interest in the immediate future centers largely on the coming production and the price at which eggs will be stored. Caution on the part of dealers as the result of the disastrous storage season just passed may be expected to work toward a lower storage price. If production proves to be heavier, this will also be a factor working in the same direction. It is possible, however, that the heavier production of December and January is more a reflection of favorable weather conditions than of increased numbers of layers on farms. If this proves to be the case, there is likely to be some reaction from the heavy production, and spring or summer production may not be so heavy as is rather generally anticipated which might cause into-storage prices to rise as the season advances.

The live poultry market appears to be in a fairly favorable position. Arrivals are rather light and are clearing quite satisfactorily. They consist mostly of the odds and ends of the seasons production, most of the chickens being rather coarse and staggy. Prices are, on the whole, above last year at this time, and in spite of fluctuations in price due to irregularities in supply the market is about steady.

The dressed poultry market is in fairly good shape. Prices range higher than a year ago, and this is resulting in a none too active demand. Receipts are running about on a par with last year, and the statistical position of the storage stocks is favorable. Small and medium sized fowl are fairly firm and prices well sustained, but large sizes are in excessive supply and dragging somewhat. Arrivals of turkeys have been fairly liberal, but quality is running poorer. Storage stocks of turkeys are much smaller than last year and are firmly held, but the relatively high prices prevailing have undoubtedly curtailed demand.

R. R. Slocum,

Division of Dairy and Poultry Products, B.A.E.

POULTRY AND EGG SITUATION.

(Thousands, i.e. 000 omitted)

Stocks in Storage - Feb. 1 - United States

	Shell eggs (Cases)	Frozen eggs (Pounds)	Dressed poultry (Pounds)
1926	574	29,267	108,406
1925	81	16,292	138,189
Change	+ 493	+ 12,975	- 29,783
Per cent	+ 608.6	+ 79.6	- 21.6
% change from 5-yr. av.	+ 182.8	+ 41.2	.3

Imports and Exports of Poultry and Eggs. - Jan. 1, 1926 to Jan. 31, 1926.

	Imports 1926	1925	Exports 1926	1925
Shell eggs (dozens)	30	214	1,525	893
Whole eggs, dried (Lbs.)	38	32		
Whole eggs, frozen (Lbs.)	170	1,417		
Yolks, dried (Lbs.)	309	105	(1) 40	(1) 8
Yolks, frozen (Lbs.)	84	255		
Egg albumen, dried (Lbs.)	247	134		
Egg albumen, frozen, prepared or preserved (Lbs.)	193	42		
Live poultry, (Lbs.)	84	32	32	35
Poultry & game, fresh (Lbs.)	--	--	367	532
Poultry, dead, dressed or un- dressed, (Lbs.)	659	69		
Poultry, prepared in any manner (lbs)	55	116		

(1) Includes all forms of frozen and dried eggs.

Receipts and Apparent Trade Output at Four Markets - Eggs (Cases)

	Receipts	Net storage Movement	App. trade Output
1926 Jan.	852	497	1,349
1925 Jan.	565	599	1,164
Change	+ 287		+ 185
Per cent	+ 50.8		+ 15.9

Receipts and Apparent Trade Output at Four Markets - Dressed Poultry Lbs.)

	Receipts	Net storage Movement	App. trade Output
1926 Jan.	26,122	346	26,468 lbs. weight
1925 Jan.	27,585	+ 2,487	25,098 weight gain
Change	- 1,463		+ 1,370
Per cent	- 5.3		+ 5.5

THE TRUCK CROP SITUATION

Interest is shifting somewhat to the new crops. Fresh southern produce fills a great many cars by March and the volume gains rapidly month by month through spring and summer as one tier of States after another enters the line of supply. Usually the new truck crops make up about one-fourth of the shipments of fruits and vegetables in March. The leafy products, cabbage, lettuce, celery and spinach, then comprise more than half the new supply.

The early shipping States have felt the effect of the cold, rainy weather which hindered field operations, injured some tender crops, and set the season back about two weeks. This lateness would tend to a rush of delayed shipments in March, but the reduction of acreage in Florida and elsewhere has cut down the probable early supply. Most of the Florida vegetables, including cabbage, celery, lettuce, tomatoes and mixed vegetables, have been moving at one-third to one-half of last season's volume. Shipments from Texas show some reduction, but the movement of California lettuce, cauliflower, celery and spinach tends to restore the balance, aided by receipts of Cuban and Mexican tomatoes, peppers and egg plant. The total movement of fruits and vegetables in February was about 10 per cent below last season.

Most winter vegetables, also strawberries, have sold 25 to 50 per cent higher this season than last, the chief exceptions being spinach and lettuce, but the prices of fruits and vegetables slanted downward as a rule in February. Potatoes were off 25 to 50 cents per 100 pounds, apples lost 25 to 50 cents per barrel and 10 to 25 cents per box, lettuce went down 25 cents to \$1 a crate, onions 25 cents per 100 pounds, sweet potatoes 10 to 25 cents a bushel. Cabbage held its own, resisting the general tendency toward decline which prevails during the seasonal gain in supplies of produce.

On the whole, the market outlook for many of the leading early truck crops is favorable. Old potatoes should be out of the way early and the new acreage is apparently the lightest in several years. Planting in four of the early States is reported cut down about 10 per cent. Owing to the lateness of the crop, shipments may be bunched together in May, with some such competition as happened under like conditions two years ago. Until then, at least, the market outlook seems favorable to a clean-up of old potatoes and good demand for the new crop.

Old cabbage and celery were about done before much of the new crop was available, and the new early acreage is estimated one-fourth less. Indicated production of early beets, carrots and lettuce is about the same as last season. Spinach planting was increased about one-third, but freezing weather removed part of the surplus. Asparagus acreage gains considerably including nearly all of the dozen important asparagus grow-

ing States and the crop has more than doubled during the past five years. The 15 per cent larger acreage of southern Bermuda onions suggests a problem in careful marketing because there are more old onions than usual left in storage besides a prospect of competition with Egyptian onions.

A strawberry acreage 10 per cent greater should not overstock the market as a rule this season, because planting has been rather light for several years past. Early strawberry acreage is even reduced about 10 per cent although Louisiana with 18,000 acres, an increase of 8,000, is likely to stir up the early market in April if the crop turns out according to present good condition of the plants. So far as acreage is any guide, liberal supplies may be expected from Missouri, Alabama, and North Carolina, but moderate production in Arkansas, Tennessee and Kentucky, with a fairly good output in the Middle and North Atlantic States.

Fears of overplanting have not as yet been realized in the South, with few exceptions. Some growers were discouraged by drought last season; some of them devoted more attention to cotton, and some to real estate operations. The net result is an expectation of generally moderate early supplies from the South and a fairly good market prospect for early planted northern truck crops.

The only early development in northern trucking sections is a report of slight increase in stocks of potatoes saved for seed. A tendency to overplant might easily appear in such lines as late potatoes and cabbage which sold high this season.

G. B. Fiske,
Division of Fruits and Vegetables, B. A. E.

THE FEED MARKET SITUATION

The continued limited demand for feed during February caused a further decline in prices of practically all of the important feeds. The large supply of feed grains on the farm has greatly curtailed the demand for feed, and this has been reflected in the declining feed market. The supply of feed is in most instances as large, or larger, than last year, and indications are that unless the spring is unusually late feed prices will continue materially cheaper than last year. The following table illustrates the prices and the

While smaller amounts of Canadian wheat feeds are being imported than last year the United States production is about the same, and sufficient feed has been available at all times to meet the current demand. Since the first of the year the market has been dull, and prices have declined to the lowest point since early in the fall. Storage stocks of bran which accumulated in some of the southwestern markets early in the fall were offered on the market during February, and this together with the limited demand resulted in sharp price declines.

The heavy wheat feeds have been materially weaker than bran, but the demand for these feeds is expected to increase with the approach of the spring pig feeding season. With the supply available, however, it does not seem probable that prices will make any great advance at least during the next few weeks.

Linseed meal has been relatively higher than any of the other feeds. The small supply of domestic flax reduced the amount of domestic linseed meal available this year, and prices have remained fairly firm, particularly in the West and Northwest. During January, however, the market weakened, particularly in the East, as a result of the heavy offerings of the cheaper cottonseed meal and a decline in the export bids for linseed meal. Eastern crushers which are working principally on imported flax from Argentina usually export a large percentage of their meal, but the decline in export prices of this meal has tended to lower the domestic linseed meal market.

The supply of cottonseed meal is very much larger than at this time last year. The export demand has been less active than last year, and the increased offerings of meal in the United States markets has forced prices to their present market levels. The quality of much of the meal is rather low, and off-color meal has sold at considerable discounts below the prime grades. While offerings of meal for March,

April and May delivery have recently been advanced to \$1 per ton above spot prices, indications are that prices are not likely to advance materially during the next month unless some unusual situation develops which will advance the price of all feeds.

The low price of corn has stimulated the production of corn oils, starch and other corn products and resulted in a heavy production of gluten and hominy feed. Prices for both these feeds have declined sharply during February, and while commercial stocks are reported not to be large at the manufacturing plants the production continues heavy, so that large quantities are likely to continue to be offered during the next few weeks. The future price will depend principally upon the trend of corn prices and the volume of the demand for these feeds.

The alfalfa meal market is holding fairly steady, with Colorado mills the principal source of production. The demand for alfalfa meal has been of only moderate volume, and sufficient meal apparently is available for the current needs at present prices.

C. A. Collier,
Division of Hay, Feed and Seed, B. A. E.

CONDITIONS IN TEXAS

Soil moisture conditions are excellent over most of the State, and an open winter has enabled the farmers to make rapid preparation for spring planting. Everyone appears hopeful for a successful year in both crop and stock production. There is a movement on foot to produce more cotton on fewer acres and more feed on more acres. According to an inquiry made by a prominent cotton firm, Texas farmers expect to decrease their cotton acreage by 5 to 10 per cent this year. However, even a decrease in acreage may mean no decline in production, for when better seed and improved cultural methods are used the 0.30 bale average can easily be raised, as was shown in the "More Cotton on Fewer Acres" contests of the past few years when a number of the contestants raised 2 and 3 bales per acre.

The conversion of ranches into farms continues in the south and west. Just what influence the advancing price of cattle will have upon this movement is still in doubt. However, it is noticeable that smaller ranches are starting up, with a growing tendency toward stock-farming rather than ranching.

Cotton planting has begun in the lower Rio Grande Valley and will gradually extend northward, reaching its peak in April. Notwithstanding the severity of the drought last year, only 61 out of the 247 cotton-producing counties failed to equal their 5-year production average. Wheat, oats, barley, and rye were benefited by the snow and rain as were also the grass and winter weeds in the pastures.

Cattle, sheep, and goats have suffered only nominal losses during the winter and are getting through with a minimum of feeding. Work animals are in very good condition considering the short feed crops of last year. Shearing goats has begun, and lambing will start after the middle of March. Many carloads of immunized high-grade gilts are being shipped in from other States for again building up the swine industry. Low prices, short corn crops, and increased cotton acreage have served to reduce the number of hogs until Texas has fewer on hand than a quarter century ago.

The demand for farm machinery continues good in the south, but is rather slow in the other sections, particularly where last year's weather conditions were unfavorable. In the south, the sales of power machinery and four-row cotton planters are brisk. Some 5,000 acres of hemp will be grown experimentally in the south this year. In general the wholesale trade in groceries and dry goods remains steady with collections good. As a result of the epidemic of la grippe the retail and wholesale drug business has had an unusual stimulus. Building

activities in the cities have made for heavy sales of reinforcing steel, and country points are using an increasing amount of terneplate. A large number of vessels are engaged in carrying lumber to Florida and other southern points where a building boom has made business most favorable for the lumber industry.

H. H. Schutz, Agricultural and
State Statistician, B. A. E.

CONDITIONS IN COLORADO

The middle of February finds Colorado generally showing good to excellent moisture conditions except that it is very dry in the southeast. Winter wheat doing well. All livestock in good condition, with mostly ample to abundant feed supply. Prices of feed generally reasonable by reason of local surpluses.

Numbers of all livestock less than a year ago except for an increase of about 6 per cent in breeding sheep. Average values of all stock on January 1 were from two to nearly seven dollars per head above last year and still commanding favorable prices, except that fat sheep and lambs are suffering a decided slump in prices, and heavy lambs being marketed now are losing one to two dollars per head for feeders. Operators are hoping for improved market later, but at present the feeder sheep outlook is discouraging. Very little contracting of feeder lambs for next year. Cattlemen are more optimistic. The tendency is to restock where finances are available. Poultry and eggs discouragingly low for this time of year.

Potatoes are off a little but still commanding high prices. Apparently about 20 per cent of the crop remains to be marketed. Most of the onions and practically all the cabbage have been moved at fair to good prices. The improved farm income is largely due to high prices for special crops.

W. W. Putnam,
State Statistician, B. A. E.